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ABSTRACT

Montana's three private colleges in a long and continuous tradition play a truly significant role in higher education of the state, just as private or independent colleges have done in the rest of the nation. It is imperative for the nation and the state to recognize and appreciate the kind of contribution that independent higher education provides. This study concerns itself with three degree-granting independent institutions: Carroll College of Helena, College of Great Falls, and Rocky Mountain College of Billings. In the 1973-74 school year these three enrolled 2,614 of 19,420 undergraduate students attending four-year higher education institutions in the state. This constitutes 11.8 percent of the total. The purpose of this report is fourfold: (1) to offer an assessment of the role and contributions of these private colleges relating to higher education in Montana, (2) to provide for the study of historical and current data on enrollment and graduates, (3) to provide financing information, and (4) to look at present and future trends within the institutions to meet newer and higher standards of educational effectiveness. Appendixes contain statistical data to accompany the text. (Author/PG)

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TECHNICAL GROUP REPORT NO. 6

INDEPENDENT HIGHER EDUCATION

U.S. DEPARTMENT OF HEALTH,
EDUCATION & WELFARE
NATIONAL INSTITUTE OF
EDUCATION

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Prepared for

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This is one of a series of reports by technical consulting groups which are advisory to the Montana Commission on Post-Secondary Education. The data and recommendations presented in these reports reflect the work of the technical group and its members and not the views of the Commission itself.

The primary purpose of these reports is to provide the Commission with information relevant to its task of developing plans for the future of Montana post-secondary education. Each report will be reviewed by the members of the Commission and used in the Commission's deliberations.

The Commission is indebted to the many individuals from institutions of post-secondary education, state agencies and professional organizations who served on the technical consulting groups, and to the institutions and agencies which contributed the data and personal services which made it possible for the technical groups to carry out their charges.

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INDEPENDENT HIGHER EDUCATION

Charge

1. To study and assess the role and contributions of the independent higher education institutions in Montana.
2. To assemble historical and current data on enrollments and graduates of independent institutions in Montana.
3. To assess financial savings to the State from Montana students attending and graduating from independent institutions in Montana.
4. To provide financial information including financial support, on independent institutions of higher education in Montana.
5. To present recommendations to the Commission on Post-Secondary Education.

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TECHNICAL REPORT ON
INDEPENDENT HIGHER EDUCATION

INTRODUCTION

Far removed from the teeming population centers of the East Coast, the West Coast, and areas of the Midwest, Montana finds itself in a position singularly different from that of most other states insofar as higher education is concerned. Unlike New York State with its 143 private colleges and universities, Ohio with its 41 independent colleges and universities or Illinois with its 71 private institutions, Montana has only three private colleges, two of which offer the only available higher education in two of the larger communities in the state.

Traditionally, public institutions tend to be larger and multipurpose, while the private institutions tend toward diversity and smaller size. Erroneously, this difference has engendered the shibboleth that the one represents quantity and the other quality. This wornout concept, fortunately, has been rejected throughout most of the academic community. The private institution, in a large measure, complements the public college or university. It is axiomatic that a healthy, strong expression of higher education must have both, public and private, operating and cooperating. The private college does offer the potential for diversity and options within the framework of the higher education of the state. Whether they employ the opportunity or not, private institutions can experiment with greater freedom and less restraint than public institutions.

Aside from the obvious cultural and social contributions to the immediate area as well as to the state, the private colleges must be examined in an economic aspect, actual and potential. Each private institution contributes substantially to the economic growth and stability of the community where it functions. Faculty and staff payrolls, student expenditures in the general community and costs of ancillary services comprise a healthy portion of the economic community. Potentially, if these three institutions were compelled to close because of financial pres-

tures, most of the 2,600 students would undoubtedly elect to attend some of the state university units. This would create a twofold hardship. The community in which the private college operates would feel the loss deeply. Equally important would be the added cost to the university system by the inclusion of 2,000 or more additional students.

Although the role of the private institution is readily definable, its contributions are not so clearly discernible. There are many intangibles that have no immediate and visible criteria for measurement, and only after many years can a college community point with justifiable pride to an illustrious alumnus or to a series of courses that set other programs in motion. It would be extremely difficult to deny the reciprocal benefit derived from public and private institutions functioning in a challenging, stimulating atmosphere.

SUMMARY OF THE ROLE AND CONTRIBUTIONS OF INDEPENDENT HIGHER EDUCATION

Montana's three private colleges in a long and continuous tradition play a truly significant role in higher education of the state, just as private or independent colleges have done in the rest of the nation. It is imperative for the nation and the state to recognize and appreciate the kinds of contributions that independent higher education provide. These educational resources, diverse in character and objectives, have made significant contributions to Montana education over the years and hope to continue in this independent tradition. We invite the people of Montana to consider with care this case for independent higher education and the effective utilization of these educational resources.

This study concerns itself with three degree-granting independent institutions: Carroll College of Helena, College of Great Falls and Rocky Mountain College of Billings, three of which in the 1973-74 school year enrolled 2,614 out of 19,420 undergraduate students attending the four-year higher education institutions in the state. This constitutes 11.8% of the total.

The purpose of this report is fourfold: 1) to offer an assessment of the role and contributions of these private colleges relating to higher education in Montana, 2) to provide for the study of historical and current data on enrollment and graduates, 3) financing information, 4) the present and future trends within the institutions to meet newer and higher standards of educational effectiveness.

History

Of the three private colleges in Montana, Rocky Mountain had its initial beginning in Deer Lodge in 1878 as the Montana Collegiate Institute, making it Montana's oldest college. Carroll College was founded in 1909 as Mount St. Charles, while the College of Great Falls opened its doors in 1932. All three, then, are old and firmly established institutions of higher learning.

Much could be written on the contributions made by these institutions and the people associated with them. Each has played a significant part in the development of higher education in Montana.

The three colleges are distributed well geographically over the state with Carroll in mid-western Montana, College of Great Falls in the north central part of the state and Rocky Mountain in eastern central Montana. Carroll is the only college in Helena and in the area, the College of Great Falls is the only college serving the Great Falls area, while Rocky Mountain is one of two colleges in the Billings area.

Accumulated Assets

Through the generosity of religious denominations, religious orders and private donors over the decades, these colleges have built plants now having a total book value of approximately \$22.9 million and total assets approaching \$30 million.

Enrollments

The total enrollments of these colleges during this recent semester is over two thousand six hundred. Although the percentage varies somewhat from institution to institution, over 65% of the full-time students in private colleges in Montana during the 1973-74 school year are Montana residents. Taking into account some individual variables, perhaps as high as 90% of these resident students would have to be accommodated by Montana public institutions of higher education and would require additional expenditures of public funds.

In addition, some 900 out-of-state and foreign students were encouraged to come to study in Montana's private colleges, many of whom have remained in the state to contribute to the state's reservoir of educated people, and subsequently, to the economy of Montana.

Graduates

The value of a college is difficult to measure qualita-

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tively. One would suppose that a quantitative measure would be to count its graduates. One objective of a degree granting college is to award those who have satisfactorily completed its various curricula. Then the number of degrees awarded each year is a legitimate measure of productivity. The following, then, indicates recent years:

	<u>1971</u>	<u>1972</u>	<u>1973</u>	<u>1974</u>
Carroll College	191	167	178	169
College of Great Falls	158	183	144	122
Rocky Mountain	<u>109</u>	<u>113</u>	<u>100</u>	<u>108</u>
	458	463	422	399
			(Total 1,742)	
Montana Graduates	341	358	313	304
			(Total 1,316)	

The yearly total, of course, speaks for itself. Statistically it represents approximately 55% of Bachelor's degrees granted during these four years in all of Montana's schools. One should consider the economic impact on Montana as well as the social and cultural advantages gained by the state since, using Carroll College figures for four graduating classes, a yearly average of 55% of these graduates remain in Montana to become an integral part of our population.

<u>Year</u>	<u>No. in Class</u>	<u>No. remaining in MT</u>	<u>Percentage</u>
1970	175	82	46.8%
1971	191	97	50.8%
1972	167	92	55.1%
1973	<u>178</u>	<u>125</u>	<u>70.2%</u>
	711	396	55.7%

The Economic Picture

The history of private colleges in Montana indicates that these institutions have been remarkably capable of remaining viable and economically stable over the past decades. They are now facing increasing and, in some cases, critical financial difficulties. In fact, financial problems alone threaten the very existence of these colleges. The reason is simply the fact that institutional costs are increasing at a faster rate than income available to the colleges, thus creating operating deficits, depletion of reserves and borrowing against the future.

It is likely that financial trends in Montana's private colleges will continue to worsen and further jeopardize this sector of the state's higher education unless some major adjustments are made in this trend. The following is an assessment of the income-expense picture of the private colleges.

Tuition and Fees

In 1968, as a standard, the tuition and fees charged the students in one of the private colleges produced 73% of the total educational and general expenses. In 1972-73 the percentage was down to 62% in spite of the fact that tuition and fees rose from \$1,000 per year in 1968-69 to \$1,300 in 1972-73, an increase of 30%. This is almost one-third increase in tuition and fees and has been accompanied by an even larger gap between what the student pays and what it costs his institution to provide in necessary educational services. As is also evident, tuition and fees, although decreasing in percentage, continue to be the main source of income to our private colleges, and, of course, continue to be the major source to be increased to meet spiraling costs of operation. The ever-present hazard of pricing oneself out of existence is obviously present in Montana private higher education.

Endowment

One of the much-sought financial potentials of private

colleges is that of endowment funds. The more fortunate institutions have strong endowments which are primarily the result of gifts by generous donors given to the trustees to be invested with the earnings to be used for general or sometimes specific purposes of the college. The capital so invested ordinarily is not expendable; only the income is available for operating expenses. The sad story of rising costs in recent years, however, has pressured colleges into using not only interest but principal as well from their endowments, thus reducing financial strength and endowment income.

The endowment income picture for Montana's three private institutions of higher learning is as follows:

	<u>ENDOWMENT INCOME</u>	
	<u>1968-69</u>	<u>1972-73</u>
Carroll College	\$ 66,129.00	\$ 99,000.00
College of Great Falls	6,485.00	23,663.00
Rocky Mountain	35,696.00	14,478.00

The most optimistic projections indicate that these funds will grow at a slower pace during the 70's and can be expected to produce a much smaller proportion of total income required to meet the increasing expenses of operation in these institutions. A pessimistic view indicates that private colleges will have to continue to deplete endowments to meet operational costs, unless other alternatives to financing are forthcoming.

Role and Contributions

Montana's three independent colleges offer an alternative to public higher education for those who wish a choice. Presently other states with independent institutions of higher education are losing these institutions rather rapidly. To encourage some thinking about the advantages of continuing independent higher education in our state perhaps some observations would be in order.

Role and Contributions (continued)

- There is obvious financial savings to the State of Montana. This is discussed in some detail later in the report.
- Montana's three private colleges provide essential educational services to three of the state's major population areas, and in two of these provide the only higher education facilities, one of which is the state's capitol.
- Independent institutions of higher learning, with their autonomy from state direction, provide a yardstick for estimating the quality of public higher education.
- Independent institutions within the overall higher education "system" of a state, offer a potential for diversity with its variations and options under several different auspices, and may serve many different kinds of students. The existence of an innovative, value-oriented, higher quality private sector is important for the vitality and strength of the entire spectrum. Competition and cooperation between public and private sectors provides stimulus to both, while affording Montana's students a healthy diversity of options.
- Independent or private education, perhaps, can respond more readily to local needs in providing adult education, continuing education, advanced placement and the like. Carroll College, for instance, has a program for Senior Citizens, allowing them to attend classes at minimal cost. Another program permits superior secondary students to enroll for credit in courses at Carroll while in their senior year. A cooperative program between the College of Great Falls and the Vocational-Technical School is envisioned. For almost two decades the College of Great Falls, in cooperation with local commercial television stations, has pioneered educational television in Montana.
- Private colleges, to some degree, can experiment more freely with innovative programs and have done

so, whether to enhance higher education in general or to serve local or particular needs. Such programs as the interim term of concentrated study between fall and spring semesters at the College of Great Falls and Rocky Mountain College or the cooperative education, dental hygiene, medical records and nursing programs at Carroll College are examples.

--Private colleges in Montana, just as elsewhere, contribute immeasurably to the cultural, intellectual and social needs of their respective communities. Indeed, they contribute financially and economically also.

--The three independent colleges in Montana happen to be church affiliated institutions of higher learning and, as such, offer courses and programs that are religiously, morally or spiritually oriented. There is no question of the invaluable contribution this makes to our society and culture.

Hopefully, the above will indicate, in part at least, the role and contributions of independent higher education in Montana.

The following three sections of the report should show some specific aspects of independent higher education in the state.

SUMMARY OF HISTORICAL AND CURRENT DATA ON ENROLLMENT AND GRADUATION TRENDS

From the fall of 1970 through the fall of 1973 the three private colleges have enrolled nearly 11.2% of the total undergraduates in Montana's four-year colleges and universities. Of a total enrollment of 10,622 at the private colleges, 6,898 have been Montana residents. This is nearly 65% of the total.

In the past four years the three schools have graduated a total of 1,742 individuals. One thousand three hundred sixteen (1,316) or 75.9% of these have claimed Montana residency at the time of graduation.

On the basis of a report by John M. Stewart indicating an average cost per student of \$1,291 per year in the University System, this would mean a saving in 1973-74 of over two million dollars to the state for Montana students alone. On the assumption that students from Montana who graduate were likely to have been in the private sector all four of their undergraduate years, we would have over 4,000 student years times \$1,291, or a savings to the state in a four year period from 1970-73 of over five million dollars, just for those who stayed through to graduation.

Assuming an average 4% increase in cost of educating the undergraduate for each of the last four years, we still would have an average of around \$1,200 per year for each student. If this assumption is valid, the private colleges have "contributed" to the economy of Montana education in an amount in excess of eight and one-quarter million dollars since the fall of 1970 for the education of 6,898 "student years".

While no attempt has been made to justify these figures directly with Mr. Stewart's, we believe that they are additional evidence of the value of Montana's three private colleges from a strictly economic point of view. The more important considerations, however, lie in areas covered by other members of the Task Force on Independent Higher Education.

The following raw data provides a numerical picture of enrollment and graduation trends in the independent higher institutions of the state.

ENROLLMENT AND GRADUATION TRENDS

at

MONTANA'S THREE PRIVATE FOUR-YEAR COLLEGES

1970-71 to 1973-74

	Total Enrl.	MT Enrl.	Montana % of Total	Total Grads.	MT Grads.	Montana % of Grads.
<u>1970-71</u>						
Carroll	1,054	847	72.9%	191	133	69.6%
Great Falls	1,165	919	78.9%	158	139	87.9%
Rocky	<u>556</u>	<u>319</u>	<u>57.3%</u>	<u>109</u>	<u>69</u>	<u>63.3%</u>
	2,775	2,085	75.1%	458	341	74.5%
<u>1971-72</u>						
Carroll	1,079	797	73.8%	167	115	68.8%
Great Falls	1,031	647	62.7%	183	168	91.8%
Rocky	<u>546</u>	<u>289</u>	<u>52.9%</u>	<u>113</u>	<u>75</u>	<u>66.4%</u>
	2,656	1,733	65.2%	453	358	79.0%

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<u>1972-73</u>							
	Total Enrl.	MT Enrl.	Montana % of Total	Total Grads.	MT Grads.	Montana % of Grads.	
Carroll	1,015	770	75.9%	178	129	72.5%	
Great Falls	895	587	65.0%	144	133	92.4%	
Rocky	<u>548</u>	<u>268</u>	<u>48.9%</u>	<u>100</u>	<u>51</u>	<u>51.0%</u>	
	2,548	1,625	63.8%	422	313	74.2%	
<u>1973-74</u>							
Carroll	1,096	822	75.0%	169	134	79.3%	
Great Falls	964	667	69.2%	122	114	93.4%	
Rocky	<u>554</u>	<u>231</u>	<u>41.7%</u>	<u>108</u>	<u>56</u>	<u>51.8%</u>	
	2,614	1,720	65.5%	399	304	74.8%	

SUMMARY ON SAVINGS TO THE STATE OF MONTANA

Although the average undergraduate enrollment of Montana's three independent colleges totals about 2,600, a valid assumption might be that mainly only the resident students involved in this population would transfer to Montana University System units if the three private colleges should close. Since the total resident enrollment in these colleges has been fairly stable for the last three years (1971-73), an average total resident enrollment of 1,690 was used for making calculations of the figures cited below. The following figures then represent the added costs to the State of Montana based on the average yearly cost of funding an undergraduate student for a variety of possibilities:*

All private colleges close and 100% of their resident undergraduates transfer to state system units.

- Assuming a distribution over the six state units in proportion to their present enrollments and with a system-wide average cost per undergraduate of \$1,291 per year (1973-74 costs):

Yearly Additional Cost to State = \$2,181,790.
(If all nonresidents also transferred, the cost would be \$3,356,600).

- Assuming a transfer of all undergraduate resident students only to the University of Montana, Montana State University and Eastern Montana College, with an average cost per undergraduate of \$1,216 per year (1973-74 costs):

Yearly Additional Cost to State = \$2,055,040.
(If all nonresidents also transferred, the cost would be \$3,161,000).

*See appendices for enrollment tables of the private colleges and of the University System units, as well as tables for state system costs by unit.

All private colleges close and 75% of their resident undergraduates transfer to state system units.

- Assuming a distribution over the six state units in proportion to their present enrollments and with a system-wide average cost per undergraduate of \$1,291 per year (1973-74 costs):

Yearly Additional Cost to State = \$1,636,342.
(If all nonresidents transfer also, cost = \$2,517,450.)

- Assuming a transfer of these students only to University of Montana, Montana State University and Eastern Montana College, with an average cost per undergraduate of \$1,216 per year (1973-74 costs):

Yearly Additional Cost to State = \$1,541,280.

All private colleges close and 50% of their undergraduates transfer to state system units.

- Assuming a distribution over the six state units in proportion to their present enrollments and with a system-wide average cost per undergraduate of \$1,291 per year (1973-74 costs):

Yearly Additional Cost to State = \$1,090,895.
(If all nonresidents transfer also, cost = \$1,678,300.)

- Assuming a transfer of these students only to University of Montana, Montana State University and Eastern Montana College, with an average cost per undergraduate of \$1,216 per year (1973-74 costs):

Yearly Additional Cost to State = \$1,027,520.

Only Rocky Mountain College (resident enrollment about 250) closes and 100% of its resident students transfer throughout the six state units at an average cost of \$1,291 per year:

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Rocky Mountain College (continued)

Yearly Additional Cost to the State = \$322,750.
(If all nonresidents also transferred, cost = \$719,050.

--If 75% of its resident students transferred to state units:

Yearly Additional Cost to the State = \$241,772.

--If 50% of its resident students transferred to state units:

Yearly Additional Cost to the State = \$161,181.

If only one of the two Catholic colleges were to close, many of its students might well transfer to the other. Therefore, no calculations have been made in this case.

Other Considerations

No attempt has been made to consider additional costs which might be necessary due to the possible need for new facilities if the enrollment were to increase considerably at one or more of the state units. Probably this would not be a factor with any normal distribution of the enrollment increase throughout the system.

No allowance was possible for the somewhat higher cost of graduate student education as compared to undergraduates. If this were done, the costs per undergraduate student at those schools having a considerable graduate student enrollment would be lowered.

University System State Funds Per Undergraduate Student
1973-74 - By Unit

University of Montana	\$1,230
Montana State University	\$1,249
Eastern Montana College	\$1,170
Western Montana College	\$1,495
Northern Montana College	\$1,555
Montana College of Mineral Science and Technology	\$2,318

SUMMARY ON FINANCING INDEPENDENT INSTITUTIONS OF HIGHER LEARNING IN MONTANA

The most apparent fact regarding income of the three private colleges in Montana is the dependence on current income to meet current expenses. The major sources of current income are tuition and fees paid by students, gifts, contributed services and cash, and income from the Federal government. Income from Auxiliary Enterprises is largely offset by expenditures for these operations, generally regarded as self-supporting.

Of the major sources of income, none are limitless. Tuition and fees cannot be raised to the point where they place higher education beyond the reach of students and their family and/or personal resources. Gifts are dependent upon the strength of community income and local economy, which, in its turn, is supported by the local expenditures of the institutions. Contributed services are dependent upon the availability of clergy and religious teachers and administrators - and the demands for such personnel in other agencies places a constant drain on this availability. Contributed cash from those bodies committed to the support of the private colleges, is also dependent upon the demands of churches, hospitals, missions and other agencies dependent upon those bodies.

It would appear, then, that the recipients of the benefits and advantages provided by the private colleges - the communities in which they are located and the state of Montana - must be looked to as sources of support. Communities and state benefit both directly and indirectly from the expenditures of the institutions and their positions as local and state "industries", as well as from their use of the "product" of the institutions, i.e., the students who become taxpaying, working citizens of the state and localities within it.

It is evident that gift support, largely from individuals and businesses within local communities, plays a large part in the annual income of the private colleges. It is suggested elsewhere in this report that state tuition assistance for students who choose to attend the private colleges

might ease the student's burden in achieving the higher education he needs and wants, and, in turn, might help the colleges stabilize their financial positions.

Regarding expenditures of the colleges for the past year, figures indicate a total of six and one-quarter million dollars - \$6,266,803 - certainly an important impact on the economy of Montana, a state eager to retain present industry and to attract new investments. Plant values for two of the three colleges, Carroll College and the College of Great Falls, total almost fifteen and one-half million dollars - \$15,384,346 - a figure that is substantial in itself and which becomes much greater by the addition of facilities at Rocky Mountain College.

Aside from the educational, cultural, social and religious contributions such plants and annual expenditures make to the state and to the areas served by the colleges, the value of such operations as state and local industries cannot be overlooked. As indicated by local impact figures, wages and employee benefits make substantial impact on the economy. Expenditures for utilities and plant operation are also noteworthy economic contributions. But it is interesting to note that the colleges also provide very large sums in student aid, helping their own students secure the kind of higher education the students desire and the institutions provide. Expenditures in this area indicate not only an interest in the student, but the type of assistance needed to maintain the colleges by making it possible for the students to continue to exercise their choice of the private college in securing a higher education.

Most apparent of all, perhaps, is the growing cost of providing private higher education over the five-year period covered in these tables - at least one-third more is now required than was needed five years ago. Given present economic conditions, it is reasonable to expect similar or higher increases in the years immediately ahead. Help in meeting this need must be found in order to make it possible for the colleges to continue the service to student, to community and to state which is described in this report.

FINANCING INDEPENDENT INSTITUTIONS OF HIGHER EDUCATION IN MONTANA

The following tables, prepared by Montana's three independent colleges, present an overview of their financial information for the past five years (1968-1973). While all categories in the three sets of reports are not identical, they provide a basis of comparison for sources of income and expenditures.

CARROLL COLLEGE

Sources of Income	1968-69	1969-70	1970-71	1971-72	1972-73
Tuition	\$ 907,871	\$ 952,120	\$1,069,803	\$1,171,209	\$1,117,545
Student Fees	83,081	149,822	147,101	150,160	154,489
Contributions	25,880	40,799	53,399	141,019	114,485
Contributed Services	114,338	117,104	99,282	97,472	90,280
Student Aid	6,200	13,275	13,568	15,067	18,725
Endowment	66,129	71,914	141,399	93,836	93,685
Federal Government	112,113	108,893	111,395	128,296	416,563
Other	27,424	44,254	66,387	72,137	73,504
Sub-total:	\$1,343,036	\$1,498,181	\$1,702,334	\$1,869,196	\$2,078,596
Auxiliary Enterprises	658,357	689,964	698,499	698,216	626,070
Total Income:	\$2,001,393	\$2,188,145	\$2,400,833	\$2,567,412	\$2,704,666

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Operating Expenditures

Educational & General	\$1,291,518	\$1,469,722	\$1,703,571	\$1,814,623	\$1,936,167
Auxiliary Enterprises	489,627	516,397	591,451	598,470	498,860
Capital Expenditures	74,996	54,181	45,208	76,566	133,867
Debt Retirement	126,509	130,329	139,985	140,929	140,564
NDSL Matching Loan Funds	18,370	16,176	18,721	21,050	16,294
Total Expenditures	\$2,001,020	\$2,186,715	\$2,498,936	\$2,651,638	\$2,725,752

Plant Fund

Total Carrying Value	\$8,306,439	\$9,373,138	\$9,296,573	\$9,391,877	\$9,545,595
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COLLEGE OF GREAT FALLS

Sources of Income - Current Funds	<u>1968-69</u>				<u>1969-70</u>				<u>1970-71</u>				<u>1971-72</u>				<u>1972-73</u>			
Tuition	\$	645,838	\$	764,137	\$	793,294	\$	847,156	\$	779,943										
Fees		43,154		48,692		45,458		45,534		42,427										
Endowment		6,484		21,086		25,706		25,571		23,663										
Gifts		86,469		73,976		105,588		96,914		57,701										
Special Projects		47,574		40,254		4,639		14,762		36,635										
Total - Educational and General	\$	829,519	\$	948,145	\$	974,685	\$	1,029,937	\$	940,369										
Auxiliary Enterprises		302,854		351,035		327,566		340,241		361,485										
Student Aid		2,725		2,600		5,925		2,900		9,550										
Contributed Services and Cash		225,457		203,808		170,340		179,673		250,701										
Organized Activities		23,899		22,240		22,592		22,946		6,197										
Interest Income		--		6,807		8,371		3,601		1,690										
Total - Institutional Income	\$	1,384,454	\$	1,534,635	\$	1,509,479	\$	1,579,298	\$	1,569,992										

<u>Expenditures - Current Funds</u>	<u>1968-69</u>	<u>1969-70</u>	<u>1970-71</u>	<u>1971-72</u>	<u>1972-73</u>
Educational & General	\$ 850,297	\$ 969,617	\$1,111,977	\$1,234,266	\$1,278,703
Special Projects	48,761	25,941	5,030	12,690	37,991
Auxiliary Enterprises	254,313	309,422	316,106	331,708	342,559
Student Aid	48,639	69,274	85,241	86,305	109,106
Organized Activities	23,632	22,846	20,059	22,494	7,068
Interest	88,507	85,451	80,583	76,287	72,545
Gain/Loss-Fixed Assets	--	--	568	(840)	(338)
Total Institutional (before depreciation)	\$1,314,149	\$1,482,551	\$1,619,564	\$1,762,910	\$1,847,634
<u>Plant Fund</u>	\$3,301,194	\$3,425,725	\$3,556,758	\$5,099,644	\$5,838,751

ROCKY MOUNTAIN COLLEGE

<u>Sources of Income</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>	<u>1973</u>
Student Fees	\$ 627,971	\$ 612,512	\$ 649,368	\$ 737,134	\$ 746,342
Endowment Earnings	35,696	32,085	30,169	26,847	14,478
Gifts	253,511	460,602	475,572	286,288	468,422
Federal Grants	99,717	124,608	95,036	114,960	116,111
Auxiliary Enterprises	351,785	340,077	381,439	390,840	406,938
Miscellaneous	4,471	143	3,980	1,445	184
Total Income:	\$1,373,151	\$1,570,027	\$1,635,564	\$1,557,514	\$1,752,475
<u>Expenses</u>					
Administrative	\$ 212,552	\$ 243,745	\$ 237,589	\$ 277,439	\$ 261,087
Institutional	465,221	493,027	531,676	503,344	476,975
Library	66,633	103,471	75,874	71,744	67,884
Plant	88,401	138,580	136,094	151,411	151,306
Auxiliary Enterprises	372,435	357,864	399,970	402,590	401,574
Student Aid	176,333	170,134	186,870	228,677	269,508
General Institutional	27,996	44,156	51,633	88,213	65,083
Total Expenses	\$1,409,571	\$1,550,977	\$1,619,706	\$1,723,418	\$1,693,417

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FIGURES RELATED TO ECONOMIC IMPACT ON COMMUNITY - FROM TWO INSTITUTIONS

<u>Carroll College</u>	<u>1968-69</u>	<u>1969-70</u>	<u>1970-71</u>	<u>1971-72</u>	<u>1972-73</u>
Salaries & Wages	\$ 797,853	\$ 894,120	\$1,086,461	\$1,205,639	\$1,283,049
Employee Benefits	67,195	72,557	105,410	116,842	110,396
Utilities	57,791	62,098	79,607	81,221	84,040
Operating & Maintenance Supplies	144,560	188,357	179,546	199,595	234,666
Boarding Costs (50% Local)	253,727	286,519	273,343	250,080	232,207
Special Contractors (Labor & Materials)	--	1,700,000	64,000	62,000	29,439

College of Great Falls

Salaries & Wages	\$ 754,546	\$ 821,274	\$ 935,936	\$1,051,304	\$1,086,905
Staff Benefits	29,021	32,996	42,275	64,126	63,722
Utilities	35,200	44,909	47,671	48,987	46,084
Operation of Plant	40,365	46,506	48,529	46,410	44,618

CONCLUSIONS

Some simple and obvious conclusions might be drawn:

- That Independent Higher Education in Montana plays a prominent part in the higher education "system" of the state.
- That it has the potential to play an even greater role in the educational process in the state.
- That the independent sector, like its counterparts in the rest of the nation, is in some degree of trouble, particularly financially.
- That the independent sector needs all the encouragement and assistance it can get from the State of Montana in order to continue to thrive.

RECOMMENDATIONS

The Technical Committee on Independent Higher Education in Montana offers the following recommendations to the Commission on Post-Secondary Education.

- That the present dual system of privately-supported and public-supported institutions of higher education in Montana be preserved and strengthened for the good of both sectors. Further, that to assure educational opportunities for all of its citizens, the State of Montana should encourage the development of a coordinated system of post-secondary education wherever possible, utilizing all the state's resources, whether public or private.
- That the range and diversity of educational opportunities to students should be preserved and extended, along with the freedom of each student to choose the institution he wishes to attend. Continuation of diversity of institutional sponsorship, objectives, programs, environment and size is a major element in

insuring each student's freedom of choice. It would then seem appropriate to review the advisability and feasibility of a tuition equalization program which would permit Montana's young people to choose their college on the basis of the above mentioned considerations rather than on comparative costs of attendance. Tuition grants, scholarships, or equalization programs are now operative in 35 states as economically sound instruments for providing greater access and wider choice to students of all economic backgrounds - and of obtaining full utilization of all of the state's educational resources, both public and private.

--That independent institutions of higher learning be allowed to retain the maximum degree of independence in decision making. Their value in contributing to educational needs and in solving problems will be enhanced by a continuing flexibility.

--That independent higher institutions should be reminded that, in general, growth in size will not in itself ease financial problems. Therefore, these institutions should use caution in planning an increase in enrollment or an expansion of programs, except as they may produce a more efficient size or serve a real need.

Independent higher institutions should persist as much as possible in pursuing the initial rationale for their being founded and avoid overlapping and duplication of programs found elsewhere in the state's higher education "system". However, they should be encouraged to maximize their efforts to experiment and innovate in order to contribute in the greatest possible way to the quality and variety of higher education in Montana.

APPENDICES

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TOTAL ENROLLMENTS
(Fall--Independent Colleges)

	<u>Resident Undergraduate Enrollment</u>	<u>Nonresident Undergraduate Enrollment</u>	<u>Total Undergraduate Enrollment</u>
<u>Fall 1970</u>			
Carroll	847	207	1,054
Rocky	317	239	556
Great Falls	<u>919</u>	<u>246</u>	<u>1,165</u>
	2,083	692	2,775
<u>Fall 1971</u>			
Carroll	790	289	1,079
Rocky	289	257	546
Great Falls	<u>647</u>	<u>384</u>	<u>1,031</u>
	1,726	930	2,656
<u>Fall 1972</u>			
Carroll	770	245	1,015
Rocky	268	280	548
Great Falls	<u>587</u>	<u>308</u>	<u>895</u>
	1,625	833	2,458

(continue on the following page)

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	<u>Resident Undergraduate Enrollment</u>	<u>Nonresident Undergraduate Enrollment</u>	<u>Total Undergraduate Enrollment</u>
<u>Fall 1973</u>			
Carroll	822	274	1,096
Rocky	231	323	554
Great Falls	<u>667</u>	<u>297</u>	<u>964</u>
	1,720	894	2,614

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ENROLLMENTS (FALL)--UNIVERSITY SYSTEM

	<u>Undergraduates</u> <u>Enrollment</u>	<u>Graduate</u> <u>Enrollment</u>	<u>Total</u> <u>Enrollment</u>
Fall 1970:			
UM	7,278	1,115	8,393
MSU	7,447	740	8,187
EMC	3,848	214	4,062
WMC	1,000	42	1,042
NMC	1,413	26	1,439
MCMS&T	960	29	989
	<u>21,946</u>	<u>2,116</u>	<u>24,112</u>
Fall 1971:			
UM	7,715	1,085	8,800
MSU	7,456	657	8,113
EMC	3,284	182	3,466
WMC	921	38	959
NMC	1,291	39	1,330
MCMS&T	870	24	894
	<u>21,537</u>	<u>2,025</u>	<u>23,562</u>
Fall 1972:			
UM	7,508	1,116	8,624
MSU	7,328	570	7,898
EMC	2,608	133	2,741
WMC	752	87	839
NMC	1,019	46	1,065
MCMS&T	753	26	779
	<u>19,968</u>	<u>1,978</u>	<u>21,946</u>

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Fall 1973:

UM	7,205	1,263	8,468
MSU	7,432	593	8,025
EMC	2,557	200	2,757
WMC	588	112	700
NMC	927	142	1,069
MCMS&T	711	38	749
	<u>19,420</u>	<u>2,348</u>	<u>21,768</u>

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1970-71

U. System Fall Undergraduate Enrollment	21,946	91.0%
U. System Fall Graduate Enrollment	<u>2,116</u>	<u>9.0%</u>
	24,112	100.0%

U. System General Funds	\$20,578,085
U. System Millage Funds	<u>5,379,047</u>
Total State Funds	\$25,957,132

U. System State Funds
allocated to Undergraduate
Enrollment:

$$\$25,957,132 \times 91.0\% = \$23,620,990$$

U. System State Funds per
Undergraduate Student:

$$\$23,620,990 \div 21,946 = \underline{\$1,076}$$

1971-72

U. System Fall Undergraduate Enrollment	21,537	91.4%
U. System Fall Graduate Enrollment	<u>2,025</u>	<u>8.6%</u>
	23,562	100.0%

U. System General Funds	\$19,878,779
U. System Millage Funds	<u>5,837,094</u>
Total State Funds	\$25,715,873

U. System State Funds Allocated
to Undergraduate Enrollment:

$$\$25,715,873 \times 91.4\% = \$23,504,308$$

U. System State Funds per
Undergraduate Student:

$$\$23,504,308 \div 21,537 = \underline{\$1,091}$$

1972-73

U. System Fall Undergraduate Enrollment	19,968	91.0%
U. System Fall Graduate Enrollment	<u>1,978</u>	<u>9.0%</u>
	21,946	100.0%

U. System General Funds	\$19,912,378
U. System Millage Funds	<u>5,950,000</u>
Total State Funds	\$25,862,378

U. System State Funds Allocated
to Undergraduate Enrollment:

$$\$25,862,378 \times 91.0\% = \$23,534,764$$

U. System State Funds per
Undergraduate Student:

$$\$23,534,764 \div 19,968 = \underline{\$1,179}$$

1973-74

U. System Fall Undergraduate Enrollment	19,420	89.2%
U. System Fall Graduate Enrollment	<u>2,348</u>	<u>10.8%</u>
	21,768	100.0%

U. System General Funds	\$22,390,033
U. System Millage Funds	<u>5,721,095</u>
Total State Funds	\$28,111,128

U. System State Funds Allocated
to Undergraduate Enrollment:

$$\$28,111,128 \times 89.2\% = \$25,075,126$$

U. System State Funds per
Undergraduate Student:

$$\$25,075,126 \div 19,420 = \underline{\$1,291}$$